

### **IN THE CLAIMS**

Please amend the claims as follows:

1. (Currently Amended) A method of presenting advertising in a subscriber broadcast system, the method comprising:
  - offering an upgraded advertising service;
  - receiving subscriptions to said upgraded advertising service;
  - delivering set top box computer program code to a plurality of set top boxes, each set top box being associated with an upgraded advertising service subscriber;
  - receiving a plurality of video feeds including a plurality of advertisements;
  - providing indicators for at least two advertisements of said plurality of advertisements wherein said indicators include a priority level and a category for a corresponding advertisement;
  - and
    - broadcasting a video signal comprising program content, said plurality of advertisements, and said indicators for at least two advertisements of said plurality of advertisements to a plurality of set top boxes, wherein the set top box computer program code is to select one of the at least two advertisements based on said indicators.
2. (Original) The method of claim 1 further comprising:
  - receiving a request for an advertising category from at least one subscriber of said plurality of subscribers.
3. (Original) The method of claim 1 further comprising:
  - broadcasting an advertising indicator that includes a network address for an advertisement that can be accessed across a network.
4. (Original) The method of claim 1 further comprising:
  - downloading an advertisement and corresponding indicator to local storage of a set top box.

5. (Original) The method of claim 1 further comprising:  
selecting said plurality of advertisements based upon demographic characteristics of said plurality of set top boxes.

6. (Currently Amended) A method for displaying user selected advertising in a subscriber broadcast system, the method comprising:

requesting a category of advertisement from a plurality of advertisement categories, the category being selected by a subscriber;

receiving a video signal comprising program content, a standard advertisement, and an advertisement indicator, wherein said advertisement indicator indicates a priority level and a category value for an advertisement corresponding to the category;

determining if said standard advertisement may be replaced with an upgraded advertisement;

accessing upgraded advertisement content if it is determined that said standard advertisement may be replaced with an upgraded advertisement; and

displaying said upgraded advertisement content if it is determined that said standard advertisement may be replaced with an upgraded advertisement.

7. (Currently Amended) An upgraded advertising production system comprising:  
a processor;

an advertisement detector receiving a video feed comprising program content and advertising;

an advertisement indicator editor configured to ~~can~~ create, modify, and delete at least one advertisement indicator associated with an advertisement contained in said video feed;

a channel multiplexer that receives said program content, at least one advertisement, and said at least one advertisement indicator and that formats said program content, said advertisement and said at least one advertisement indicator for transmission; and

a transmitter that transmits said program content, said advertisement, and said at least one advertisement indicator, wherein said advertisement indicator includes a priority level and a category for a corresponding advertisement.

8. (Currently Amended) A set top box that selectively displays upgraded advertising comprising:

a processor;

an audio/video processor that outputs audio and video signals to a display unit;

a tuner controlled by said processor that receives a video input comprising program content, a first advertisement, a first advertisement indicator, a second advertisement, and a second advertisement indicator wherein said first advertisement indicator and said second advertisement indicator both ~~include~~ identify a category of the advertisement and a priority level;

first computer program code operating on said processor that detects said first advertisement indicator and said second advertisement indicator and compares the category of said first advertisement and the category of said second advertisement to a stored category value and that compares the priority level of said first advertisement with the priority level of said second advertisement and that selects said first advertisement unless the category of said second advertisement is ~~in agreement with~~ corresponds to said stored category value and the priority level of said second advertisement is greater than or equal to said priority level of said first advertisement; and

second computer program code that provides said first advertisement to said audio/video processor if said first advertisement is selected and that accesses and provides said second advertisement to said audio/video processor if said second advertisement is selected.

9. (Original) The set top box of claim 8 further comprising computer program code that processes a user input and stores said stored category value in said set top box.

10. (Original) The set top box of claim 8 further comprising computer program code that recognizes a remote control input as being specific to one user and selects said stored category value from a plurality of stored category values based upon an identifier of said one user.

11. (Original) The set top box of claim 8 wherein said second computer program code further comprises code that adjusts said tuner to receive said second advertisement.
12. (Original) The set top box of claim 8 wherein said second computer program code further comprises code that acquires said second advertisement across a network.
13. (Original) The set top box of claim 8 further comprising:  
a video combiner that combines a portion of said first advertisement with a portion of said second advertisement.
14. (Currently Amended) An upgraded advertising production system comprising:  
processing means;  
means for detecting an advertising period in a video feed;  
editing means that can create, modify, and delete an advertisement indicator associated with said video feed to produce an edited video feed, wherein said advertisement indicator includes a priority level and a category for a corresponding advertisement;  
multiplexer means that receive said edited video feed and accesses advertising content and that formats said edited video feed and said advertising content for transmission; and  
transmission means that transmits said edited video feed and said advertising content.

15. (Currently Amended) A set top box that selectively displays upgraded advertising comprising:

processor means;

audio/video processing means that output audio and video signals to a display unit;

tuning means controlled by said processor means that receive a video input comprising program content, a first advertisement, a first advertisement indicator, a second advertisement, and a second advertisement indicator wherein said first advertisement indicator and said second advertisement indicator both ~~include~~ identify a category of the advertisement and a priority level;

computer program code means operating on said processor that detect said first advertisement indicator and said second advertisement indicator and that compare the category of said first advertisement and the category of said second advertisement to a stored category value and that compare the priority level of said first advertisement with the priority level of said second advertisement and that select said first advertisement unless the category of said second advertisement ~~is in agreement~~ corresponds with said stored category value and the priority level of said second advertisement is greater than or equal to said priority level of said first advertisement; and

second computer program code means that provide said first advertisement to said audio/video processor if said first advertisement is selected and that accesses and provide said second advertisement to said audio/video processor if said second advertisement is selected.

16. (Currently Amended) A method of operating a subscriber broadcast system comprising:

defining a plurality of advertising categories;

receiving user requests for said advertising categories;

transmitting program content and advertisements with advertisement indicators allowing selection of advertisements at a set top box, wherein said advertisement indicators include a priority level and a category value for an advertisement corresponding to said advertising categories;

determining a count of advertisements viewed in each category of said plurality of advertising categories; and

creating a billing statement reflecting said count of advertisements in each category.